



CITY OF DURHAM | NORTH CAROLINA

Date: June 2, 2015
To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Donald F. Greeley, Director, Department of Water Management

Subject: Addendum to Contract for Online Payment Solutions

This addendum is in response to request for further clarity from the City Council on the language surrounding the possibility of financial repercussions from termination of the existing Kubra contract as follows:

"Additionally, though the City believes that the legal grounds are weak for KUBRA to make such a claim, there may be a cost to exit the contract with KUBRA estimated to be \$25,000.00 as a worst case scenario."

The City Attorney's office has reviewed this matter and does not believe that Kubra has a strong basis for a claim due to the inability of Kubra to develop an integration between their software and Munis as anticipated in the RFP and contract.

However, as there is no certainty regarding how Kubra may react, the department preferred to be conservative and inform the City Council of the worst case scenario.